HOUSE BILL 1263

By Carr D

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 51, Part 1; Title 6, Chapter 58 and Title 67, Chapter 5, Part 5, relative to municipal annexation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 6-51-108, is amended by adding the following as a new subsection (b) and redesignating the present subsection (b) and remaining subsections accordingly:

(b)

- (1) This subsection shall apply to any municipality whose annexation ordinance becomes effective by court order pursuant to § 6-51-103(d).
- (2) Within ten (10) days after the date on which a court order is entered sustaining the validity of a proposed annexation, any annexing municipality to which this subsection applies shall submit written notification, meeting the requirements of subdivision (b)(3), to each person owning real property in the territory that the territory will become a part of the municipality. In the event an appeal is taken from the court order, the annexing municipality shall notify the property owners in writing of the pending appeal. If on appeal the court affirms the validity of the proposed annexation, the municipality shall submit written notification, meeting the requirements of subdivision (b)(3), to the property owners within ten (10) days of entry of judgment of the appellate court.
- (3) The advance written notification shall include the date on which the annexed territory becomes a part of the municipality, a detailed description of the annexed territory, and the reasons for the annexation. The notification shall be

sent by first class mail to the last known address listed in the office of the property assessor for each property owner of record within the annexed territory.

(4) A person with personal knowledge of the mailing of the notification shall submit a notarized affidavit to the presiding officer of the annexing municipality attesting that the notifications were mailed in accordance with subdivision (b)(3).

SECTION 2. Tennessee Code Annotated, Section 67-5-504, is amended by adding the following as a new subsection (c):

(c) Any annexing municipality that makes assessments of taxes shall only assess the tax on real property within the annexed territory if the annexation takes effect prior to January 1 of the year in which the assessment is made.

SECTION 3. Tennessee Code Annotated, Section 6-51-103(d), is amended by designating the present language as subdivision (1), and by deleting the word "therefrom" at the end of the subsection and substituting instead the following:

from the judgment, or unless the presiding court grants the municipality's petition to defer the effective date pursuant to subdivision (d)(2).

SECTION 4. Tennessee Code Annotated, Section 6-51-103(d), is further amended by adding the following language as a new subdivision (2):

(2) Upon petition of the municipality, the presiding court may, as part of the judgment sustaining the validity of the annexation ordinance, order that the effective date of the ordinance be fixed as December 31 following the date of entry of the judgment or determination of appeal. In making any order under this subdivision (d)(2), the court shall consider the necessity of the deferred effective date to render municipal services to the annexed territory within a reasonable time. The petition shall be filed by the municipality in the presiding court where the annexation ordinance is being contested in a quo warranto proceeding as provided in this section.

SECTION 5. Tennessee Code Annotated, Section 6-51-102(b)(1), is amended by deleting the subdivision in its entirety and substituting instead the following:

(1)

- (A) Before any territory may be annexed under this section, the governing body of the municipality shall adopt a plan of services establishing, at a minimum, the following:
 - (i) The type of services to be delivered to the territory proposed to be annexed;
 - (ii) The standards for delivering the services to the territory proposed to be annexed;
 - (iii) The financial ability of the municipality to provide services to the territory proposed to be annexed, which shall include estimated costs and any commitment to make expenditures or to budget additional resources; and
 - (iv) The proposed time schedule with specific dates for actual delivery of each municipal service to the residents and owners of the territory proposed to be annexed.
- (B) Upon adoption of the plan of services, the municipality shall cause a copy of the plan of services to be forwarded to the county mayor in whose county the territory being annexed is located. The plan of services shall be reasonable with respect to the scope and timing of the services to be provided and the standards and financial ability for providing the services.

SECTION 6. Tennessee Code Annotated, Section 6-51-104(b)(1)(A), is amended by deleting the following sentence:

The plan of services shall address the same services and timing of services as required in § 6-51-102.

and by substituting instead the following:

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The plan of services shall address the same services, timing of services, and standards and financial ability for providing services as required in § 6-51-102(b)(1).

SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring it, and Section 2 of this act shall apply to assessments made on or after January 1, 2012.

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